

Professional Appraisal Services, Inc.

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September 3, 2015

Crisanto Salinas, City Manager
City of Roma
77 Convent Street
Roma, Texas 78584

Re: Appraisal Report, Real Estate Appraisal
FTA Parcel Gonzalez Mercantile
303 Grant Street, Roma,
Starr County, Texas, 78584

File Name: PAS 2015-6768

Dear Mr. Salinas:

At your request, I have prepared an appraisal for the above referenced property, which may be briefly described as follows:

A proposed acquisition for a new bus terminal.

Please reference page 16 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any prior services, as an appraiser or in any other capacity, regarding the subject property within the previous three years of the appraisal date.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 14). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

City of Roma
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Extraordinary Assumptions:

- This appraisal has been prepared without benefit of a current survey or detailed title report for the property. Land area is based on information obtained from the Starr County Appraisal District and from a recorded map of the City. The appraisal is subject to revision if subsequent information reveals information about the property that is significant in terms of the land area.

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), I have made the following value conclusion(s):

Current Market Value:

The market value of the Fee Simple estate of the property, as of May 5, 2015, is

\$150,000

One Hundred Fifty Thousand Dollars

We trust this report satisfies the conditions of your request. Please call on us if any item is not clear or if further amplification of any point in this report would be helpful. Thank you for the confidence placed in us by virtue of this assignment and for the opportunity of providing our appraisal and consultation services to you.

Respectfully submitted,
Professional Appraisal Services, Inc.

A handwritten signature in blue ink, appearing to read "John H. Malcom, Jr.", is positioned above the printed name.

John H. Malcom, Jr., MAI, CCIM, SR/WA
TX-1320239-G

Part I Introduction

Part I – Title Page

APPRAISAL REPORT - REAL ESTATE APPRAISAL

Of
FTA Parcel Gonzalez Mercantile



303 Grant Street, Roma,
Starr County, Texas, 78584

As of
May 5, 2015

Prepared For
Crisanto Salinas, City Manager
City of Roma
77 Convent Street
Roma, Texas 78584

Prepared by
Professional Appraisal Services, Inc.
John H. Malcom, Jr., MAI, CCIM, SR/WA, TX-1320239-G
File Name: PAS 2015-6768

Part I Introduction

Summary of Important Facts and Conclusions**General**

Subject:	FTA Parcel Gonzalez Mercantile 303 Grant Street, Roma, Starr County, Texas, 78584 A proposed acquisition for a new bus terminal.
Owner:	Gonzalez Mercantile
Legal Description – Whole Property:	The surface only of all of Lot 6, Block 43 of the Original Townsite of Roma, Starr County, Texas.
Date of Report:	September 3, 2015
Intended Use:	The intended use is to develop an opinion of market value for acquisition purposes. The property is proposed for acquisition as part of a project to construct a Bus Terminal to provide transportation services by the City of Roma and Federal Transit Administration (FTA).
Intended User(s):	The client, the City of Roma, the Federal Transit Administration, and persons authorized in the review and grant approval process. Use of the appraisal by others, for any reason, is not authorized.

Assessment: The market value assessment by the Starr County Appraisal District for 2014 is contained in the following table:

Real Estate Assessment and Taxes - Whole Property Before Acquisition					
Tax ID	Land	Improvements	Total	Tax Rate	Taxes
15000-04300-00610-000000	\$0	\$22,100	\$22,100	\$3.209020	\$709

Part I Introduction

Sale History:

A title report was provided the appraiser that indicates the current owner is Gonzalez Mercantile, Incorporated. The report does not provide an ownership history nor does the Starr County Appraisal District. The property has been under the same or similar ownership for the previous 5 years.

To my knowledge, the property is not currently offered for sale and I know of no offers to purchase or sell the property in five year period preceding the date of appraisal.

Land: The property includes an improved tract in Starr County, Texas. Property characteristics are summarized as follows:

Land Summary						
Parcel ID	Gross Land Area (Acres)	Usable Land Area (Acres)	Highest and Best Use Site as Vacant	Flood Zone	Topography	Shape
Larger Parcel	0.152	0.152	Commercial use	Zone C or X	Near level	Rectangular
Part to be Acquired	0.152	0.152	Commercial	Zone C or X	Near level	Rectangular
Remainder	0.000	0.000	No remainder	No remainder	No remainder	No remainder

Zoning:

C-3, Retail and Office

Part I Introduction

Improvements”

The improvements include two wood frame apartments and a wood frame office. Each of the three structures offers 576 square feet of building area. The office is situated at the front of the site and is the more serviceable of the three buildings. Although Mr. Gonzalez indicated the building age was around 24 years, the building condition and effective age appears much newer. The building has a front entry porch and french doors as well as a wall of forward facing windows. The french doors and windows are set in wood framed walls and the exterior is T-111 panels. The foundation is concrete piers and the roof is a hip structure with composition shingle roof cover. The roof cover appears to be fairly new. The interior finish is vinyl flooring and walls include a mix of painted drywall and prefinished paneling that has also been painted. The ceiling is painted drywall and lighting is suspended florescent fixtures. Climate control is provided by a central electric air conditioning and heat. Construction for the apartments is very similar although the materials appear more dated. The apartments have a plain wood entry door (one front and one rear door) and plain aluminum single hung windows and both units need paint and have older roof covers. The interior floor plan includes a living/kitchen/dining area, 2 bedrooms, and a single bath with tub/shower. Flooring is carpet and vinyl and the walls and ceilings are painted drywall. Lighting is by incandescent fixtures and climate control is by central air and heat.

Site improvements include open gravel parking.

Part I Introduction

Larger Parcel:

In order to determine the larger parcel it is necessary to consider the elements of unity of use, unity of ownership, and contiguity. The appraised property is identified as Lot 6, Block 43 of the Original Townsite of Roma. To the appraiser's knowledge, there is a single unity of ownership and there are no other contiguous tracts under a similar ownership. Although only a portion of the site is improved, there is no excess land and the improvements are utilized for similar purposes. The proposed acquisition includes the entire lot and the larger property is all of lot 6, Block 43.

The appraised property is the gross land area of 0.152 acres. It represents the fee simple ownership and underlying fee estate of Gonzalez Mercantile. This is the larger parcel.

Legal Description – Larger Parcel:

The surface only of all of Lot 6, Block 43 of the Original Townsite of Roma, Starr County, Texas.

Highest and Best Use of the Site:

Commercial use

Highest and Best Use as Improved:

Continued use of the improvements.

Part I Introduction

Market Value Indications

	Whole Property Before Acquisition	Remainder Property After Acquisition	Total Compensation
Market Value:	\$150,000	\$0	\$150,000
Reconciled Value(s):	Whole Property Before	Remainder Property After	Total Compensation
Value Conclusion(s)	\$150,000	\$0	\$150,000
Effective Date(s)	May 5, 2015	May 5, 2015	May 5, 2015
Property Rights	Fee Simple	Fee Simple	Fee Simple

Aerial Image - Gonzalez Mercantile